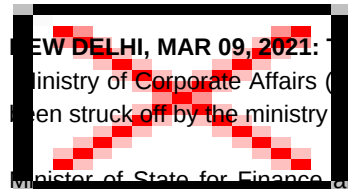


MCA tosses out 10,113 companies between April 2020 to Feb 2021

By TIOL News Service



NEW DELHI, MAR 09, 2021: THE

Ministry of Corporate Affairs (MCA) said on Monday that during the current financial year up to February 2021, over 10,000 companies have been struck off by the ministry while over 2,500 bankruptcy and insolvency cases have been filed.

Minister of State for Finance and Corporate Affairs Mr Anurag Thakur told the Lok Sabha that there are no provisions for "**weeding out**" companies under the Companies Act, 2013, and they maintain the registry on the basis of documents and applications filed by the organisations.

"A total of 10,113 number of companies during the year 2020-2021 (from the month of April 2020 to February 2021) have been struck off under section 248 (2) of the Act

," he said, explaining that these are companies which have not carried out any business or operation for the last two years preceding the financial year and have not made any application within such period for obtaining the status of dormant company.

“MCA has not run any drive to strike off companies suo moto during 2020-2021,” emphasised.

There were 2,394 companies struck off in Delhi, followed by 1,936 in Uttar Pradesh and 1,322 in Tamil Nadu.

Mr Singh further said that as per information provided by the Insolvency and Bankruptcy Board of India (IBBI), 317 companies have been liquidated as on December 31. Creditors were able to recover Rs. 2.01 lakh crore, which is 39.37 per cent of the total admitted claims of Rs. 5.11 crore.

A further 1,126 cases have been ordered for liquidation by IBBI, he added.

Finance and Corporate Affairs Minister Ms Nirmala Sitharaman said as per the National Company Law Tribunal (NCLT), 2,278 cases have been filed under the Insolvency and Bankruptcy Code, 2016 from April-December 2020. Of these, 176 cases have been disposed by NCLT.